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File 31

Loddon Shire Council  
P.O. Box 62  
Serpentine Vic 3517

Committee Secretary  
Standing Committee on Primary  
& Regional Services  
House of Representatives  
Parliament House  
CANBERRA ACT 2600

Dear Sir/Madam

**RE: STANDING COMMITTEE ON PRIMARY INDUSTRIES & REGIONAL SERVICES**

With reference to the above Committee's inquiry into the role of infrastructure in assisting the economically sustainable development of Australia's regional areas, I wish to commend the House on its initiative in undertaking such a study.

The Loddon Shire is located in North Central Victoria and is regarded, due to its size and low population, as one of the most rural shires in Victoria. Traditionally the area has concentrated its development on wool and wheat and as a result diversification has been limited. This is a situation that the Loddon Shire Council is now attempting to address.

Despite its central location and proximity to main rural centres such as Bendigo and Swan Hill until recently infrastructure development has been lagging behind that of other areas. Now that the area is ready for further development the economic rationalism policies dictate that infrastructure has to be developed on a "user pays" basis, this policy has potential to delay or divert development to areas where the infrastructure is already in existence.

Recent major infrastructure upgrades have occurred and resulted in the availability of world health standard water and higher reliability rates for electricity supply. It is probably too soon to determine the attraction rates of these major quality upgrades as far as economic attraction is concerned.

The region has world standard water supplied to most towns, reticulated sewerage systems are being connected to a number of towns in the Shire over the next 2-3 years, and the provision of reticulated gas supply is currently being investigated (although this will be at a higher cost to consumers).

**Infrastructure Inhibitors to Economic and Social Development.**

## **Gas.**

There is currently no reticulated natural gas supply within the Loddon Shire or the general region. Whilst it is acknowledged that the scope for such development has been increased through changes to State Government Policy, areas such as the Loddon Shire may fail to meet the “commercial viability” requirement. It is felt that government assistance may be needed to both undertake a study to ascertain current and future requirements, and to offset the costs of implementation.

There are also some concerns that the pricing policy may cause local companies to be non-competitive when compared with organisations external to the region and covered by current tariff arrangements.

## **Transport**

Public transport for both freight and passenger services is either limited or severely limited in most areas. Socially this is a problem with an ageing population, economically, this is a problem potentially for industry wishing to freight goods by rail.

An example of rail costs potentially preventing development is to be found at Boort where a local company investigating expansion and diversification options almost relocated interstate.

## **Telecommunications**

### **Standard System**

The area has lagged behind and still has limited access to some facilities/services deemed to be standard in metropolitan regions.

### **Mobile Systems**

Poor service levels result in the mobile network being worthless in many areas of the Loddon Shire. The introduction of the digital system is exacerbating the problem.

## **Water**

### **Quality.**

Whilst extensive improvements have been made to reticulated water supplies, water quality in most towns is still not to the standard obtained in major centres. This has potential to limit value adding food opportunities in the area. The age of the infrastructure means that in most towns the reticulated supply runs through old pipes that are near the end of their useful life. The systems result in poor water pressure and frequent breakdowns.

Irrigation water quality varies dramatically due to salt levels and dissolved solids in the water. The lack of irrigation water infrastructure almost reversed the decision to establish a major vineyard in the region.

The Loddon Shire is recognised as having the right climate, right soils, and competitively priced water and could greatly expand its horticultural production and

processing. The irrigation system ideally could be piped to reduce water loss and extended to include other areas of potentially high quality productive land.

### **Electricity**

Quality. Quality of power supply is questionable in many areas with frequent flickering of lights and areas where available supply is close to maximum load.

Supply Load. Many areas have a restricted capacity thus preventing/inhibiting industry growth through non-availability of power or excessive costs for provision of power “to be borne by the developer”. This resulted in the postponement and relocation of a poultry breeder farm by Hazeldene’s Chicken Farms and has potential serious repercussions for the advancement of horticultural value adding projects at Boort. A potential chlorine production plant at Pyramid Hill also located elsewhere partially due to the excessive cost of upgrading power requirements to the proposed site.

### **Waste Removal**

There are few, if any, cost effective programs within the Shire for removal of industrial waste, chemicals, or chemical containers. Lack of a sewage system is seen as both a health concern and a concern for industry and steps are now being taken to address this problem.

### **State Forests/Reserves/Parks**

State and National Parks within the Shire have potential to act as the basis of an eco-tourism based industry. Relatively little money is spent in the region for State Forests, State Flora Reserves, and State and National Parks resulting in poor development, run down facilities and reduced tourism based opportunities (e.g. Kooyoora State Park, Terrick Terrick National Park, Mt Korong).

### **Signs**

Many areas within the Shire are poorly signposted resulting in reduced tourism opportunities. These problems are being addressed by Council on a progressive basis.

### **Medical Facilities**

Ambulance. Distribution seems to be illogical, Charlton & Inglewood have both hospital and ambulance service, other areas have neither.

Specialist Facilities. Many areas have no visiting specialist services (opticians, chiropractors, dentists etc) and have only poor infrastructure for those that do visit.

Emergency Services. Facilities to cater for workplace emergencies are limited with ambulance round trips of an hour or longer required in some areas. This can affect the decision making process when considering placement of a development.

## **Infrastructure Assistance to Development.**

There have been a number of infrastructure projects across the Shire that have been successful in assisting in the decision making process for establishing ventures within the Shire, or where existing infrastructure has helped to secure development. These have generally been based on the availability of a good road infrastructure. Details are as follows:

Pyramid Hill Emu Abattoir (OziMeats). For the development to proceed the proponents required AQUIS certification, this could not be obtained until the road was sealed. Sealing of the road was undertaken by the Shire using its own funding and assistance from State Government programmes. The business is now open and considering further expansion.

Rice Processing Plant (WaterWheel Holdings Ltd). The existing access road to the proposed site would have been unable to cope with the additional traffic generated by the development. Council once again used its own funds plus funding from the developer and State Government to upgrade the road. The development has now proceeded and further plant and equipment upgrades to other areas of their operation have been undertaken by the developers.

Rice Processing and Storage (V/Line facility Mitiamo). Additional silos were built by V/Line freight to store rice prior to processing by Water Wheel Holdings, this development helped secure the rice processing plant for Bridgewater on Loddon.

Tomato Industry. The area north of Boort is regarded as Victoria's premier tomato growing area. The majority of the crop is processed at Echuca resulting in 50,000 tonnes of produce being transported along local roads. Council has used its own funds and State Government funding to improve the road network to enable the produce to reach its destination quickly and in premium condition.

Should you wish to discuss any of the above issues in further detail please do not hesitate to contact myself on (03) 54941200 or Peter Kulich, Manager Economic Development at our Serpentine Office on (03) 5437 8444, or e-mail [pkulich@loddon.vic.gov.au](mailto:pkulich@loddon.vic.gov.au).

Yours Sincerely

Craig W. Niemann  
Chief Executive Officer  
Loddon Shire Council  
9<sup>th</sup> April 1999